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NUNN SAYS HE'S DISMAYED BY REPORTS CASEY PASSED SECRETS TO WOODWARD

WASHINGTON

The chairman of the Senate Armed Services Committee said Saturday he was dismayed by a published report that William Casey, the late director of central intelligence, repeatedly passed secrets to investigative reporter Bob Woodward while withholding information from Congress.

At the same time, Sen. Sam Nunn, D-Ga., who also serves on the Senate Select Committee on Intelligence, said he was not particularly shocked by new allegations that Casey ran covert operations without approval and against the advice of CIA subordinates.

Nunn was commenting on a Washington Post report Saturday on Woodward's newly published book, "VEIL: The Secret Wars of the CIA," which lists numerous covert operations carried out by Casey, and cites 48 conversations with Casey as the source of some of the information.

Casey, according to excerpts of the book appearing in Sunday's editions of the Post, "had reached the breaking point" in 1985 after four years of frustration in dealing with Congress and a timid CIA bureaucracy.

Because of that frustration, Casey decided to go "off the books" - circumvent normal CIA channels - to fight terrorism in the Middle East.

"The new revelations do not shock me very much," Nunn said. "I don't know whether they're all accurate or what part of them are accurate."

"I guess the thing that most surprises me is the statement by Bob Woodward that Director Casey had met with him 48 times. When the head of the Central Intelligence Agency, if indeed that is correct, meets with an investigative reporter of Bob Woodward's skill and reputation 48 times, or anything resembling that, then I think that in itself is very questionable and I think it's very surprising."

Woodward, a Post editor, catapulted to fame during the 1970s with a series of journalistic scoops on the Watergate scandal and added to his reputation as an investigative writer with books on the secret consultations of the Supreme Court and on the life and death of drug-using entertainer John Belushi.

According to Woodward, Casey occasionally agreed to talk with him on condition the information would be used for the book and not for newspaper articles Woodward was writing for the Post and sometimes permitted Woodward to report the information for the newspaper.

Woodward wrote that Casey "had never once denied my request to speak with him."

The conversations took place between 1981 and 1986, a time, according to revelations during the recent Iran-contra hearings, that Casey withheld information from intelligence committees on Capitol Hill.

The penultimate conversation, according to excerpts from Woodward's book appearing in Sunday's Post, occurred Dec. 3, 1986, a week after Attorney General Edwin Meese III held a news conference to disclose the diversion to the Nicaraguan rebels of proceeds from arms sales to the Iranians.

"We were barred by law from supporting the Contras, and we didn't," Woodward quoted Casey as saying. Woodward wrote that Casey maintained the denial "until a final conversation before his death."

That final Casey-Woodward conversation, according to Saturday's account, was in Georgetown University Hospital in Washington, a few months before the CIA chief died of pneumonia contracted during his hospitalization for brain cancer.

Casey dozed off after acknowledging that he had known all along about the diversion, according to Woodward, who said he was unable to get details.

According to the book, Casey found the Saudis were willing to carry out covert operations in the Middle East after a CIA effort to create an anti-terrorist strike force with foreign nationals failed, according to the excerpts published Sunday.

Although creation of that strike force was approved by President Reagan and Secretary of State George P. Shultz, Casey blamed CIA foot-dragging for a large part of its failure, Woodward wrote. CIA officials resisted using the agency to carry out preemptive killings of suspected terrorists, Woodward wrote, and the CIA felt the foreigners would be uncontrollable.

"Casey found the Saudis happily free of the CIA's self-doubt," Woodward wrote. Prince Bandar bin Sultan, the Saudi ambassador to the United States, and Casey "agreed that a dramatic blow against terrorists would serve the interests" of both countries, Woodward wrote.

Among those operations, according to the book, was an assassination attempt on the reputed leader of a hostage-taking terrorist band in the Middle East, Sheik Mohammed Hussein Fadlallah. The attempt, a car bomb, resulted in the killing of 80 bystanders on a Beirut street. The intended victim escaped harm, but eventually was silenced in a less dramatic way: with a payoff worth \$2 million, according to Woodward.

The book also reports on operations in the Soviet Union, intelligence-gathering among such high-ranking Mideast leaders as former Egyptian President Anwar Sadat, and payoffs to influence foreign newspapers, scholars and politicians.

Vernon A. Walters, a former high-ranking CIA official and the current U.S. envoy to the United Nations, said Saturday that he was more concerned about the revelation of such activities than the activities themselves.

Asked in a Cable News Network interview if U.S. credibility abroad was undermined by the report, Walters said: "To have us operating in that fashion, no. To have it made public, yes."

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He also said he was skeptical of some of the accounts. Asked about the assassination story, Walters said, "I would doubt that very much. I would doubt the whole story."

"I would doubt that the author has access to that kind of knowledge of Casey, and after knowing Mr. Casey himself, I don't think it's the facts. Mr. Casey was respectful of the law."

Otherwise, the Reagan administration reacted to the report with a chorus of no comments.

"We don't comment on intelligence matters," said President Reagan's Deputy Press Secretary Leslye Arsht. Press officers Sharon Foster at the CIA and Dennis G. Harter at the State Department also had nothing to say.

Some of the reports of Casey operations involving U.S. aid to the Nicaraguan Contra rebels and dealing with Iran have been aired in recent months during the investigation of the Iran-Contra affair.